

Message Text

LIMITED OFFICIAL USE

PAGE 01 LAGOS 08050 041401Z

46

ACTION OPIC-12

INFO OCT-01 AF-10 ISO-00 EB-11 L-03 AID-20 /057 W

----- 013087

R 041049Z OCT 73

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 1309

LIMITED OFFICIAL USE LAGOS 8050

E.O. 11652: N/A

TAGS: EFIN, NI

SUBJECT: OPIC AGREEMENT

REF: (A) STATE 172125; (B) LAGOS 5609

1. AFTER FURTHER CONSIDERATION IN COUNTRY TEAM WE REDRAFTED NOTE CONTAINED REFTEL (B) TO PUT GREATER STRESS ON BENEFIT LIKELY TO ACCRUE TO NIGERIA FROM EFFECTIVE AGREEMENT AND ON OUR WILLINGNESS CONTINUE TO DISCUSS WITH FMG WAYS OF ARRIVING AT MUTUALLY ACCEPTABLE AGREEMENT. WE ALSO SOUGHT TO POINT UP FACT THAT DRAFT MINISTRY HAD SUBMITTED TO US FOR APPROVAL WAS UNILATERAL FMG DRAFT.

2. WE RETAINED LANGUAGE INDICATING THAT U.S. COULD NOT CONCUR IN FMG DRAFT AND THAT STICKING POINT WAS REQUIREMENT FOR WRITTEN CONSENT OF FMG, AS PROVIDED IN ARTICLE 3(2).

3. COMPLETE TEXT OF LETTER, AS ADDRESSED TO D.O. DEDE IN MINISTRY OF INDUSTRIES BY ECON COUNSELOR FOLLOWS:
"AS YOU MAY KNOW, I HAVE SUCCEEDED TO THE POSITION THAT MR. WILLIAM F. COURTNEY HELD AS COUNSELOR FOR ECONOMIC AND COMMERCIAL AFFAIRS, AND I HAVE FOR REPLY THE LETTERS OF MAY 14 AND JUNE 5 THAT YOU ADDRESSED TO MR. COURTNEY IN THE MATTER OF REACTIVATING THE INVESTMENT GUARANTEE AGREEMENT THAT WAS ORIGINALLY CONCLUDED BETWEEN OUR TWO GOVERNMENTS IN 1962.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LAGOS 08050 041401Z

"WE REMAIN CONVINCED THAT AN INVESTMENT GUARANTEE AGREE-

MENT, SIMILAR TO THOSE THAT THE UNITED STATES HAS ALREADY CONCLUDED WITH 73 GOVERNMENTS AROUND THE WORLD (20 OF THEM IN AFRICA) WOULD SIGNIFICANTLY ADVANCE OUR MUTUAL EFFORTS TO ATTRACT U.S. INVESTORS TO NIGERIA. "ACCORDINGLY, AMBASSADOR REINHARDT HAS AGAIN DISCUSSED THIS MATTER IN WASHINGTON WITH THE RESPONSIBLE OFFICIALS OF OUR GOVERNMENT, AND THESE OFFICIALS HAVE CAREFULLY CONSIDERED THE DRAFT TEXT THAT WAS PREPARED IN THE MINISTRY AND THAT YOU SENT TO MR. COURTNEY WITH YOUR LETTER OF JUNE 5. HOWEVER, THIS REVIEW HAS UPHELD OUR EARLIER CONCLUSION THAT THE REQUIREMENT OF WRITTEN CONSENT FROM THE FEDERAL MILITARY GOVERNMENT BEFORE MY GOVERNMENT COULD MAKE PAYMENT TO AN AMERICAN INVESTOR (ARTICLE 3(2) OF THE DRAFT TEXT) WOULD NEGATE THE CENTRAL PURPOSE OF THE AGREEMENT. AN AGREEMENT OF THAT KIND WOULD NOT PROVIDE A NEW OR MEANINGFUL INCENTIVE TO AMERICAN INVESTORS, AS WE INTEND, AND AS I BELIEVE YOU WISH. IN THE CIRCUMSTANCES, I REGRET TO REPORT THAT OUR AUTHORITIES HAVE CONCLUDED THAT IT IS NOT POSSIBLE TO CONCUR IN THE MINISTRY'S DRAFT TEXT, AS NOW WORDED.

"NEVERTHELESS, WE CONTINUE TO BELIEVE THAT AN EFFECTIVE INVESTMENT GUARANTEE AGREEMENT IS VERY MUCH IN THE INTERESTS OF BOTH NIGERIA AND THE UNITED STATES, AND WE REMAIN READY TO EXPLORE WITH YOU THE POSSIBILITY OF FINDING A MUTUALLY ACCEPTABLE WAY OF MEETING BOTH THE MINISTRY'S CONCERNS AND THE OBLIGATIONS THAT OUR OWN LAWS IMPOSE UPON US. I SHOULD BE PLEASED TO MEET WITH YOU OR OTHER OFFICIALS OF THE MINISTRY AT AN EARLY OPPORTUNITY TO DISCUSS THAT POSSIBILITY, AND WOULD BE GLAD TO HAVE AN APPOINTMENT FOR THAT PURPOSE." REINHARDT

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 04 OCT 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: collinp0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973LAGOS08050
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: LAGOS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731051/aaaablmt.tel
Line Count: 93
Locator: TEXT ON-LINE
Office: ACTION OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: (A) STATE 172125; (B) LAGOS 5609
Review Action: RELEASED, APPROVED
Review Authority: collinp0
Review Comment: n/a
Review Content Flags:
Review Date: 11 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11-Jan-2002 by martinjw>; APPROVED <20 FEB 2002 by collinp0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OPIC AGREEMENT
TAGS: EFIN, NI
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005